

exists in our tax laws to help make quality health care more affordable for millions of Americans. It achieves this by allowing the self-employed to fully deduct their health insurance premiums for the purposes of both income tax and self-employment tax.

Although many consider themselves "self-employed," only the owners of businesses that are organized as sole proprietorships pay the self-employment tax or SET. Across the U.S. there are more than 21 million sole proprietors who could be subject to some level of self-employment tax. In my own home State of California, there are more self-employed individuals than anywhere else in the country, with roughly 13 percent of the Nation's sole proprietorships, or more than 2.8 million self-employed individuals. The vast majority of the businesses owned by self-employed sole proprietors are small and micro-businesses with 10 or fewer employees. Despite their size, however, these businesses generate more than \$800 billion in economic activity in the U.S.

The self-employment tax serves as a proxy for Federal FICA payroll taxes, which other business combinations like C-corporations, limited liability partnerships and S-corporations withhold and pay on behalf of their employees. The SET tax rate is 15.3 percent, representing both the traditionally withheld employee share of 7.65 percent of wages (for Social Security and Medicare) plus the employer's matching share of 7.65 percent. Unlike other businesses, however, the SET applies to all income generated from the sole proprietorship.

At the crux of the current disparity is that all businesses apart from sole proprietorships can deduct employee health care premiums as normal business expenses before taxes. While self-employed taxpayers may deduct 100 percent of their health premiums for regular income tax purposes, sole proprietorships frequently pay more for insurance simply because these expenses are then subjected to the SET of 15.3 percent. One of my constituents, a micro-business owner named Gloria, who lives in Redding, California, reported that she pays about \$1,300 more on health insurance each year because of the SET. Another constituent, Tom, from Anderson, pays \$900 more for health care each year because of this increased payroll tax. By extending the health deduction to the self-employment tax, we would level the playing field for sole proprietors like Gloria, Tom and the more than 2.8 million self-employed Californians who cannot currently deduct their health coverage costs as a business expense.

Several of my sole proprietor constituents have commented on the rising costs of health care, and how the SET prohibits them from putting this extra amount they pay in taxes to better use expanding their business or purchasing more health coverage for themselves and their employees. Nationwide, more than half of all sole proprietors report that they are unable to purchase health insurance at all, citing affordability as a chief concern. Of these small business owners, more than 80 percent stated they would be more likely to purchase health insurance if it was deductible from payroll taxes through SET deductibility.

Owning and operating a small business in the United States has always been and continues to be extremely risky, with many small businesses not surviving the first 5 years of operation. However, despite great challenges,

small businesses provide nearly two-thirds of all new job creation in our country, employing tens of millions of workers and providing a higher standard of living for millions of American families. The difference between low or high taxes can make or break a firm, and mean the difference between profitability and continued entrepreneurial investment to survive, or going out of business. A recent report by the Small Business Administration's Office of Advocacy confirms this about the SET in particular, finding that extending the health insurance deduction for the SET actually increases the probability that a micro-business will remain in the market.

Madam Speaker, around 60 percent of America's uninsured individuals work for small businesses that cannot afford to provide coverage. Our simple, bipartisan legislation would help millions of sole proprietors and their employees better afford coverage by allowing a tax deduction for 100 percent of health insurance expenses from payroll taxes, just like other businesses in the U.S. I thank my colleague from Wisconsin for his leadership on this legislation, and look forward to working to enact it.

RECOGNIZING NATIONAL HISTORICALLY BLACK COLLEGES AND UNIVERSITIES WEEK

HON. AL GREEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 2007

Mr. AL GREEN of Texas. Madam Speaker, I wish to recognize the importance of National Historically Black Colleges and Universities (HBCU) Week which was celebrated September 9 through September 15, 2007. During Historically Black Colleges and Universities Week, all Americans are encouraged to highlight our Nation's commitment to these notable institutions and their efforts to provide more Americans with the tools to accomplish their goals, realize their full human potential, and contribute to the advancement of our country's great ideals.

We must continue to provide our strong support to HBCUs so that every citizen can enjoy a future of hope, accomplishment, and opportunity. We commend these great institutions as they build on a foundation of continued success for every college student.

There are 114 historically black colleges in the United States today, including 2-year and 4-year institutions as well as public and private institutions. Most are located in the Southeastern United States. Four are located in the Midwestern states (two each in Missouri and Ohio), two are located in Pennsylvania, one is in Delaware, nine in Texas, and one is in the Virgin Islands. It is fitting that we take this week to honor all of these institutions for their service, accomplishment, and continuing legacy.

It is important that we as a nation take a moment to reflect on the tremendous service HBCUs have provided on behalf of our great Nation. America's HBCUs have a proud and solid tradition. Since their inception, HBCUs have furthered the development of African Americans who have become leaders in science, health, government, business, education, the military, law, and world affairs.

Graduates of HBCUs have made great contributions to our society, and America, and they continue to serve as role models for all Americans.

As a graduate of Texas Southern University, I understand the vital importance that Historically Black Colleges and Universities play in the advancement of minority education and empowerment. I will continue to work with my colleagues in preserving the educational institutions that have given knowledge and hope to so many minorities for so many years.

Madam Speaker, I urge my colleagues to join me in recognizing the importance of National Historically Black Colleges and Universities Week.

IN HONOR OF THE TOWERS AT WILLIAMS SQUARE WINNING THE 2007 INTERNATIONAL TOBY AWARD

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 2007

Mr. SESSIONS. Madam Speaker, I rise today to congratulate Cousins Properties, TIAA Realty, and the Towers at Williams Square for winning the coveted 2007 International The Office Building of the Year (TOBY) Award.

The Towers at Williams Square made Dallas Building Owners and Manager Association, BOMA, history as the first local association to win an International TOBY in the over 1 million square feet category. After losing to The Crescent at the local level in 2001, the Towers at Williams Square re-entered in 2007; this time winning at the local and regional levels before advancing to the international competition. The TOBY Award recognizes excellence in building office management and operations worldwide and speaks loudly of the value and contributions that Cousins Properties and TIAA Realty have brought to the Towers at Williams Square and the surrounding local community.

It is home to the "Mustangs of Las Colinas" sculpture and museum and was originally created as the symbolic center of Las Colinas. The Greater Irving—Las Colinas Chamber of Commerce will gather members of the local community to celebrate this prestigious honor that has bestowed on the Towers at Williams Square. Madam Speaker, I ask my esteemed colleagues to join me in congratulating them.

VIETNAM SEEKING TO BECOME NON-PERMANENT MEMBER OF U.N. COUNCIL

HON. DANA ROHRBACHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 25, 2007

Mr. ROHRBACHER. Madam Speaker, it was very disturbing to learn that the Vietnamese dictatorship is seeking to become a nonpermanent member of the U.N. Council when the 62nd session of the U.N. begins to meet this week. Vietnam's Prime Minister Nguyen Tan Dung is scheduled to address the General Assembly on Thursday.

It is great shame that in 2006 the Bush administration's State Department removed Vietnam from the list of Countries of Particular